**PLEA PACKET MEMO**

ASSIGNED AUSA:  Karen Betancourt
DEFENDANT:  TOMAS YARRINGTON RUVALCABA
CASE#:  **B-12-435-S1-001**

## FACTUAL SUMMARY

### Introduction

From on or about January 1, 1998 through on or about May 22, 2013, Tomas Yarrington Ruvalcaba knowingly engaged in a conspiracy by agreement with others to transport, transmit and transfer funds from Mexico to the United States and to conduct financial transactions in the United States to conceal and disguise the nature, location, source, ownership and control of these funds. These funds were proceeds of a specified unlawful activity, namely the payment of bribes while Yarrington was a public official in Mexico.  During the years 1999-2005, Tomas Yarrington was the elected governor of the State of Tamaulipas, Mexico. Tamaulipas lies across from the southern Texas border cities of Brownsville and Laredo, Texas, and forms part of the United States/Mexico border.  The cities of Brownsville and Laredo, Texas, are in the Southern District of Texas.

As used herein "illegal proceeds" means payments of money in any form as well as other forms of property. These illegal proceeds came from different sources.  Yarrington received illegal proceeds from individuals and private companies seeking business with the State of Tamaulipas. These commercial bribes were made in exchange for favorable treatment by Yarrington and others for these individuals and companies through the award of contracts with the State of Tamaulipas.

Illegal proceeds from these sources together constituted an illegal pool of money and property, portions of which, including additional proceeds generated therefrom, were then laundered in the United States.  The acts which produced these sources of illegal proceeds violate the bribery and theft laws of the nation of Mexico and the State of Tamaulipas, a political unit of the nation of Mexico.

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**The Money Laundering**

A portion of these criminally derived and illegal proceeds were then transported, transmitted and transferred into the United States from Mexico in a manner to conceal the nature, source, location, and control of the funds and for the purpose of concealing the nature, source, location, and control of the illegal proceeds. Once in the United States, various co-conspirators conducted, and attempted to conduct, financial transactions to further conceal the nature, source, location, and control of the illegal proceeds. Beginning in 1998, the same year that witnesses started delivery of large amounts of bribes to Yarrington, and continuing through the date of the Indictment, May 22, 2013, Yarrington purchased assets in the State of Texas with these illegal proceeds using nominee names to hide his ownership. Assets in the name of someone other than Yarrington were purchased using the illegal funds to conceal and disguise the nature, location, source, ownership and control of the proceeds. Among the assets that Yarrington purchased with illegal proceeds in the name of others in the United States during the money laundering conspiracy concealing his interest and the nature of the illegal proceeds were real estate i and personal property in the form of vehicles and other personal items.

Tomas Yarrington Ruvalcaba admits he did knowingly combine, conspire, confederate and agree with other persons to transport, transmit and transfer proceeds and conduct financial transactions and avoid transaction reporting requirements from a specified unlawful activity, namely the payment of bribes while Yarrington was a public official in Mexico knowing the proceeds represented some form of unlawful activity and said transport, transmit and transfer was designed to conceal and disguise the nature, location, source, ownership and control of the proceeds. Tomas Yarrington Ruvalcaba further admits that some of these proceeds that he received as a result of the conspiracy were used to pay a portion of the note on the real property located at 149 Windward in Port Isabel, Texas and Tomas Yarrington Ruvalcaba agrees to the

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forfeiture of his interest, if any, in this property to the Government.

The Government recommends that the facts support a relevant conduct amount of more than $3,500,000.00 and less than $9,500,000.00 as the value of the laundered funds (USSG 2S1.1.(a)(2)). The Government recommends that the facts support a specific offense characteristics increase of two levels for the defendant's plea to money laundering (USSG 2S1.1.(b)(2)(B)) and an increase of two levels for sophisticated laundering (USSG 2S1.1.(b)(3). The Government recommends a four-level increase for aggravating role (USSG 3B1.1.(a)). The Government recommends no other increases, adjustments or enhancements apply to the sentencing guidelines pursuant to this plea, which as included in the plea agreement includes a recommendation the defendant receive full credit for his acceptance of responsibility. Taking into consideration the base level offense, the relevant conduct recommendation and the applicable increases, the Government recommends to the Court pursuant to this plea an Advisory Sentencing Guideline range of 108 to 135 months.

I agree the above factual summary accurately represents my involvement in the crime to which I am pleading guilty and that the attached Plea Agreement accurately describes my plea agreement with the government.
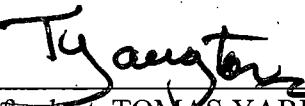
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Defendant, TOMAS YARRINGTON RUVALCABA
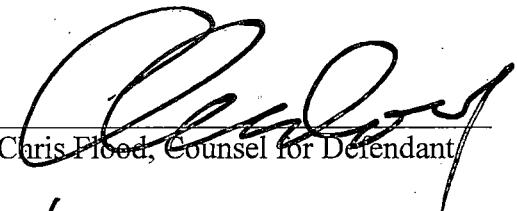
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Chris Flood, Counsel for Defendant

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Karen Betancourt, Assistant United States Attorney

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